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Director

STATE OF RHODE ISLAND

Employment Bulletin



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Governor

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RHODE ISLAND EMPLOYMENT AND UNEMPLOYMENT - October 1989

Total Rhode Island establishment employment rose by 100 jobs to 459,100 in October as an increase in the manufacturing sector more than offset a seasonal downturn in nonmanufacturing, reported John S. Renza, Director of the Rhode Island Department of Employment Security. While a year to year comparison of October levels shows a decline of 1,900 jobs, the current total continues to reflect the impact of an ongoing labor dispute in the Communications sector.

Overall factory employment rose by 200 in the September-October period, but was down 2,400 compared to a year ago. Employment in the Durable Goods industry advanced by 300 from last month, while Nondurable Goods employment levels were off by 100. Job gains of 100 each were registered in Primary Metals, Transportation Equipment, the Miscellaneous Manufacturing segment, Chemical Products and Rubber Products. In contrast, job decreases were reported in Textiles and Printing-Publishing (-200 and -100, respectively). The remaining factory segments - seven in Durable Goods and five in Nondurable Goods showed no change from last month.

The October work week averaged 39.3 hours, down 0.2 an hour from last month, but up 0.3 of an hour compared to October 1988. Production workers averaged \$9.16 in October, up 4 cents from September and 44 cents from a year ago.

Despite a monthly decline of 100 in the Nonmanufacturing sector, the current employment total of 346,800 represents a gain of 500 jobs from October 1988. Seasonal monthly downturns were recorded in Contract Construction (-600) and Trade (-500), followed by smaller decreases of 100 each in Services and Finance/Insurance/Real Estate. Overall Government employment rose by 1,200 (education-related gains), while job levels in Transportation/Public Utilities showed no change from the previous month.

Rhode Island's seasonally adjusted unemployment rate edged up for the second consecutive month. The October rate was estimated at 4.3 percent, up 0.3 of a percent from September and 1.2 percentage points from the October 1989 estimate of 3.1 percent.

The state's unadjusted unemployment figures reflected little change from last month - the number of unemployed persons decreased by 300 to 21,000 while the unadjusted unemployment rate remained at 4.0 percent.

Nationally, the civilian unadjusted unemployment rate was estimated at 5.0 percent in October, down 0.1 of a percent from September. The current U.S. seasonally adjusted rate was unchanged from the September estimate of 5.3 percent.

1990 TAXABLE WAGE BASE

The taxable wage bases for the Employment Security and Temporary Disability Insurance Programs have been determined for calendar year 1990. John S. Renza, Director of the Department of Employment Security, recently announced that the wage base on which Employment Security taxes will be paid during the 1990 tax year, which begins January 1, will be \$13,800.

The 1990 taxable wage base for Unemployment Insurance is equal to 70 percent of the 1988 average annual wage earned by workers covered by the program - rounded upward to the next even multiple of \$200. The 1988 average annual wage for workers covered by the E.S. Act was \$19,546.

A revised formula for determining the T.D.I. taxable wage base was enacted by the General Assembly in its 1989 session. It sets the base at the amount of annual earnings needed by a worker to qualify for the maximum T.D.I. benefit entitlement. The \$22,500 wage base for 1990 represents the annual earnings needed to qualify for the current maximum weekly benefit amount of \$270 (excluding dependents' allowances) and the maximum duration of 30 weeks. The employee tax rate for Temporary Disability Insurance will remain at 1.0 percent of the new T.D.I. wage base.

The new wage bases will be shown along with individual employer tax rates on the first quarter notices that will be mailed next March.

TAX CREDITS FOR EMPLOYERS

As an employer, you can earn tax credits to offset your business tax liability if you hire certain workers from nine different target groups through the Rhode Island Job Service.

The Targeted Jobs Tax Credit program (TJTC) has now been extended through 1990. Originally established eleven years ago, the TJTC program continues to offer a cost-effective way of increasing private sector employment opportunities for individuals in the nine target groups who traditionally have had difficulty finding and holding jobs.

TJTC is simple and requires very little paperwork. The credit is 40 percent of the eligible employee's first year wages,

a total tax credit of up to \$2,400 based on the first \$6,000 of earnings. The applicant must be a first-time employee of your firm and you must retain the worker for 90 days or 120 hours of paid employment, whichever comes first. The Rhode Island Job Service is the certifying agency.

Interested? For more information about the Targeted Jobs Tax Credit program, contact any local office of your Rhode Island Job Service or call 277-3724.

When it comes to business taxes, give yourself credit!

DEPARTMENT OF EMPLOYMENT SECURITY
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Employment and unemployment statistics contained in this report were compiled by THE DEPT. OF EMPLOYMENT SECURITY in cooperation with the BUREAU OF LABOR STATISTICS, U.S. DEPT. OF LABOR. For additional information contact RESEARCH AND STATISTICS AT 277-3706. TDD Voice: 277-3718

RHODE ISLAND

Labor Force Statistics
(In Thousands)

	October 1989	September* 1989	October 1988	
Civilian Labor Force	527.4	528.1	532.5	
Resident Employment	506.4	506.8	516.9	
Unemployment	21.0	21.3	15.6	
Rate (Unadjusted)	4.0	4.0	2.9	
Seasonally Adjusted Rate	4.3	4.0	3.1	*Revised

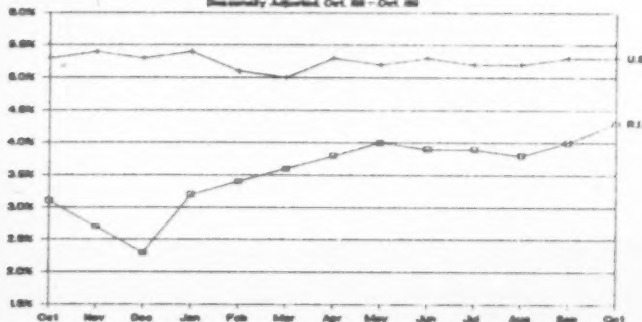
UNITED STATES

Labor Force Statistics
(In Thousands)

	October 1989	September 1989	October 1988	
Civilian Labor Force	124,416	123,828	122,432	
Resident Employment	118,194	117,498	116,250	
Unemployment	6,222	6,330	6,182	
Rate (Unadjusted)	5.0	5.1	5.0	
Seasonally Adjusted Rate	5.3	5.3	5.3	

R.I. and U.S. UNEMPLOYMENT RATES

(Seasonally Adjusted, Oct. 88 - Oct. 89)



ESTABLISHMENT EMPLOYMENT, EARNINGS AND HOURS IN MANUFACTURING INDUSTRIES IN R.I.

October 1989

PRODUCTION-WORKER AVERAGES

	EMPLOYMENT (In Thousands)	Weekly Earnings	Weekly Hours	Hourly Earnings
ALL MANUFACTURING	112.3	359.99	39.3	9.16
DURABLE GOODS	76.3	355.03	39.1	9.08
LUMBER/FURNITURE	3.1	431.82	39.4	10.96
STONE-CLAY-GLASS	1.9	499.76	41.2	12.13
PRIMARY METALS	4.4	429.94	42.4	10.14
FABRICATED METALS	8.8	348.19	40.3	8.64
NONELECTRIC MACH.	5.6	453.40	40.7	11.14
ELECTRICAL MACH.	10.8	337.31	38.2	8.83
TRANS. EQUIPMENT	9.1	455.11	38.7	11.76
INSTRUMENTS	4.7	357.34	38.3	9.33
JEWELRY-SILVERWARE	21.5	292.43	39.2	7.46
MISCELLANEOUS MFG.	6.4	274.38	34.6	7.93
NONDURABLE GOODS	36.0	371.73	39.8	9.34
FOOD-BEVERAGE	2.9	356.61	39.8	8.96
TEXTILES	9.5	326.78	39.9	8.19
APPAREL	2.1	303.91	40.2	7.56
PAPER PRODUCTS	2.6	367.28	41.5	8.85
PRINTING-PUBLISHING	6.8	465.48	36.0	12.93
CHEMICAL PRODUCTS	3.5	463.56	41.5	11.17
RUBBER PRODUCTS	1.5	384.96	40.1	9.60
PLASTICS PRODUCTS	4.9	389.78	40.9	9.53
LEATHER PRODUCTS	2.2	283.03	41.5	6.82

TOTAL ESTABLISHMENT EMPLOYMENT IN RHODE ISLAND

	EMPLOYMENT (In Thousands)			NET CHANGE FROM	
	Oct. 1989	Sept. 1989	Oct. 1988	Sept. 1989	Oct. 1988
TOTAL EMPLOYMENT	459.1	459.0	461.0	+ 100	- 1900
MANUFACTURING	112.3	112.1	114.7	+ 200	- 2400
NONMANUFACTURING	346.8	346.9	346.3	- 100	+ 500
CONTRACT CONSTRUCTION	22.6	23.2	22.0	- 600	+ 600
TRANS. & PUBLIC UTILITIES	14.4*	14.4*	15.8	0	- 1400
TRADE (Wholesale & Retail)	104.6	105.1	104.2	- 500	+ 400
FINANCE, INS. & REAL ESTATE	26.6	26.7	26.5	- 100	+ 100
SERVICE (Miscellaneous)	119.1	119.2	118.0	- 100	+ 1100
GOVERNMENT	59.5	58.3	59.8	+ 1200	- 300

*Labor Dispute

Farmers, Self-employed, Domestic and Armed Services personnel are excluded from the Establishment Employment figures. Current month figures are PRELIMINARY. Prior month and year figures are REVISED